

HOUSE BILL REPORT

SB 5613

As Passed House:

April 9, 2007

Title: An act relating to entrepreneurial training opportunities.

Brief Description: Concerning entrepreneurial training opportunities.

Sponsors: By Senators Kilmer, Kastama, Kauffman, Shin, Delvin, Brown and McAuliffe.

Brief History:

Committee Activity:

Higher Education: 3/19/07, 3/30/07 [DP].

Floor Activity:

Passed House: 4/9/07, 81-17.

Brief Summary of Bill

- Ensures the availability of entrepreneurial training opportunities through local workforce investment boards.

HOUSE COMMITTEE ON HIGHER EDUCATION

Majority Report: Do pass. Signed by 6 members: Representatives Wallace, Chair; Sells, Vice Chair; Hasegawa, McIntire, Roberts and Sommers.

Minority Report: Without recommendation. Signed by 3 members: Representatives Anderson, Ranking Minority Member; Buri, Assistant Ranking Minority Member and Jarrett.

Staff: Jennifer Thornton (786-7111).

Background:

The Workforce Training and Education Coordinating Board (WTECB) was created by the Legislature in 1991 in an effort to make the state's workforce education and training system better coordinated, more efficient, more responsive to the needs of business, workers and local communities, and more accountable for its performance.

Congress passed into law the Workforce Investment Act (WIA) of 1998 (PL 105-220) to

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prepare youth, dislocated workers, and adults for entry into the labor force, and to provide for the planning, implementation, and ongoing oversight of a comprehensive state workforce development system. Executive Order 99-02 established the WTECB as the state Workforce Investment Board for the federal WIA of 1998, and created 12 local Workforce Development Councils as the local workforce investment boards.

On February 23, 2005, the U.S. Department of Labor issued a memo titled "Training and Employment Guidance Letter No. 16-04." This memo requested that states "encourage local workforce investment boards to consider entrepreneurial training programs for the WIA customers as part of their menu of services and to explore the appropriate partnerships to support these training programs." Entrepreneurial training is a permitted training service under the WIA, and self-employment is an allowable employment outcome. Entrepreneurial training and related education are not listed among the WTECB's current list of duties.

Summary of Bill:

The WTECB is to develop policy objectives for the WIA in the state and ensure that entrepreneurial training opportunities are available through programs of each local workforce investment board. The WTECB is to facilitate the development of school-to-work transition programs including entrepreneurial education and training. In the planning requirements for local workforce investment boards, the WTECB must include a requirement that local workforce boards specify how entrepreneurial training will be offered.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony:

(In support) Micro-enterprise development serves the smallest of the small businesses. There are a number of agencies around the state that work to support people with low incomes and help them get into business. However, they have experienced barriers to serving people who would otherwise be eligible for entrepreneurial support, as self-employment is an option under the federal Workforce Investment Act (WIA) but not the state. This legislation would open the opportunity for people who may not be appropriate for a job, but are ideal for self-employment. The statewide micro-enterprise association would like this to be offered as part of the WIA menu. The association seeks the capacity to serve more people and targets disadvantaged populations. There should also be a tie between existing mechanisms, curriculums, and other education and training resources for entrepreneurship with this legislation in the implementation phase.

(Opposed) None.

Persons Testifying: Senator Kilmer, prime sponsor; Lisa Smith, Enterprise for Equity; and Teresa Lemmons, Metropolitan Development Council.

Persons Signed In To Testify But Not Testifying: None.